



NEWS RELEASE

Office of the United States Attorney
Eastern District of Texas

FOR IMMEDIATE RELEASE

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ORWIG ANNOUNCES GROUNDBREAKING SETTLEMENT WITH WALGREENS

(Plano, TX) The WALGREEN Corporation has accepted responsibility for supplying methamphetamine cooks with large quantities of pseudoephedrine products in the northeast Texas area. The U.S. Attorney's Office for the Eastern District of Texas and the Walgreen Co. have reached a civil settlement in which Walgreens has agreed to take steps to significantly reduce the ability of individuals to purchase large quantities of pseudoephedrine products for the illegal manufacture of methamphetamine.

The settlement is a result of a major investigation into the manufacture and sale of methamphetamine in northeast Texas. It was discovered during the investigation that multiple individuals were able to buy large quantities of pseudoephedrine from Walgreens stores without incident. In one particular episode in April 2002, a Walgreens store in Denton sold more than 53,000 tablets to an individual in one day. In the civil settlement reached with prosecutors in the Eastern District of Texas, the Eastern, Northern and Western Districts of Oklahoma, and the Oklahoma Bureau of Narcotics and Dangerous Drugs, Walgreens agreed to pay a \$1,333,333.00 settlement amount.

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Walgreens Agreement

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Additionally, Walgreens has agreed to make several significant changes in the way pseudoephedrine products are handled and sold nationally and in the Eastern District of Texas and Oklahoma.

Nationally Walgreens agrees to:

- Remove pseudoephedrine from the sales floor and place it behind the pharmacy counter.
- Will revise its Pseudoephedrine Compliance Policy.
- Will internally circulate updated Pharmacy Code of Conduct and

Disclosures for Law Enforcement to its employees.

Walgreens agrees to further actions in the Eastern District of Texas and all of Oklahoma:

- Will implement a computerized sales monitoring system designed to detect and prevent sales of more than 9 grams of pseudoephedrine products in any 30 day period at any Walgreens.
- Will appoint a compliance officer who monitor compliance within the corporation.
- Will pay for an Independent Monitor to be selected by the U.S. Attorney to conduct compliance checks.
- Will implement a specialized training program for employees.

Matthew D. Orwig, U.S. Attorney for the Eastern District of Texas, was pleased with the settlement, "This is a groundbreaking agreement that tightens the noose around the methamphetamine trade in Texas and Oklahoma. Meth destroys lives and destroys communities and we will continue to do everything possible to destroy the plague of methamphetamine in the Eastern District of Texas."

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Gary Olenkiewicz, Special Agent in Charge of the Drug Enforcement Administration, Dallas Field Division, announced that "This Wagreens' settlement further illustrates law enforcement's commitment to enforce state and federal drug laws and educate our communities on the devastating consequences of methamphetamine and its highly addictive nature."

According to our most recent national data, 607,000 people were "current" users of methamphetamine. Over the previous year, 1.3 million people have used meth. Recently, 4.3% (9.4 million people) of the U.S. population reported trying methamphetamine at least once in their lifetime. The highest rate of methamphetamine use was among the 18-25 age group, with 5.2% of them reporting lifetime meth use during 1999.

Because of this growing menace from methamphetamine, law enforcement in the Eastern District of Texas is focusing its resources on halting the manufacture and sale of this dangerous drug.

The government offices taking part in the settlement include the Eastern District of Texas lead by U.S. Attorney Matthew Orwig, Assistant U.S. Attorney Kevin McClendon, and Investigator Ann Thurber, the U.S. Attorneys Offices for the Eastern, Northern and Western Districts of Oklahoma, the Drug Enforcement Administration, and the Oklahoma Bureau of Narcotics and Dangerous Drugs.

The original Texas investigation was conducted by the Drug Enforcement Administration, the Bureau of Alcohol, Tobacco, Firearms and Explosives, the Federal Bureau of Investigation, the North Texas High Intensity Drug Trafficking Area (HIDTA), the Denton Police Department, the Denton County Sheriff's Office,

the Grayson County Sheriff's Office and the Texas Department of Public Safety.

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